

# Executive Limitations Interpretation and Indicators

## EL II F: Asset Protection

**Interpretation and Indicators Board Approval Date:**

**Disposition of the Board:**

**Date:** 09/30/24

- In Compliance
- Not in Compliance
- In Compliance with the following exceptions:
- Information presented is insufficient to decide, the board will take the following action:

**Summary Statement/Motion of the Board:**

President:  267115461123426...

Superintendent:  CE174DB084F4448...

**Presentation of Interpretation and Indicators for Approval September 30, 2024**

**Certification of the Superintendent:**

- In Compliance
- Not in Compliance
- Compliance with Noted Exceptions

*I certify this report to be accurate.*

*First Read 8/26/2024; Approved 9/30/2024*

**EXECUTIVE EXPECTATIONS  
AND EXECUTIVE LIMITATION  
POLICIES BOARD ACTIONS**

**A. IS IN COMPLIANCE**

**B. IS IN COMPLIANCE, WITH THE FOLLOWING  
EXCEPTIONS:**

**C. NOT IN COMPLIANCE**

**D. INFORMATION PRESENTED IS INSUFFICIENT  
TO DECIDE, THE BOARD WILL TAKE THE  
FOLLOWING ACTION:**

I make a motion that the Superintendent Monitoring Report for EL II F : Asset Protection be approved. Further, I motion that (use above language)

## EL-II F: Asset Protection

The Superintendent will ensure district assets are protected, adequately maintained and safe from risk. In addition, the Superintendent will maximize the use of district assets and facilities.



### SUPERINTENDENT INTERPRETATION

- The Superintendent shall ensure that all assets – physical, intellectual, and financial – shall be protected from loss or damage through adequate security, controls, and preventative maintenance.
- The Superintendent shall ensure that there is adequate comprehensive property and casualty insurance coverage for the District. The Superintendent shall also ensure that adequate liability insurance is in place to cover staff and the District as an organization.
- Ensuring the staff of the district are protected is a key component of this policy.
- Meeting the parameters of this policy is important to protect the district’s financial position, legal position, funding sources, and public trust in our school district.
- Protecting assets of the facility must also be balanced with ensuring the community who supports Manson School District has reasonable, safe, and responsible access to facilities and assets while ensuring that meeting the needs of Manson students must remain the primary focus for facility use and asset protection.
- Definitions:
  - Asset - An asset is a resource with economic value that an individual, a company, or a country owns or controls with the expectation that it will provide a future benefit. An asset is a resource that is expected to provide a future benefit to its owner. Assets may generate cash flow or reduce expenses. Assets may be either tangible (like a vehicle) or intangible (like a copyright).
  - Bonded Employee – a bonded employee is one who is covered by a bond or insurance policy designed to protect against risk that an employee will intentionally steal from or damage the property of his or her employer.
  - Controls – frameworks for how specific activities or functions should perform to reduce risk and ensure safe practices. Controls can be preventative to prevent errors, losses or omissions.
  - Cybersecurity – a collection of technologies, practices, and policies to protect people, devices, data, computer systems, applications, and financial assets from cyberthreats.
  - Facility – something that is built, installed, or established to serve a particular purpose.
  - Intellectual Property – is a term that refers to any creation or invention of the human mind that gives the creator certain rights to prevent others from using or replicating it without their consent. The four main types of IP rights are patents, trademarks, copyrights, and trade secrets.
  - Procurement – the process of purchasing goods or services, usually for business purposes. It often includes soliciting bids, selecting vendors, and payment processing.

**EL-II F: Asset Protection (Risk Management and Insurance)**

**EL II F: #1 The Superintendent will operate with comprehensive attention to risk management which minimizes and mitigates Manson School District risks. And shall: a) Ensure an adequate level of theft prevention, casualty losses, and liability losses to Board members, staff, and the organization itself. These protections shall be at least the average for comparable school districts; b) Not unnecessarily expose the organization, its Board or its staff to claims of liability.**



**SUPERINTENDENT INTERPRETATION**

Manson School District coverage must be equal to the average coverage for comparable school districts. The Superintendent will not knowingly take actions or require others to take actions that are ‘reckless’ or those that expose the district, Board members, or staff to legal liability. Appropriate steps will be taken to pre-empt unnecessary exposure or liability on behalf of the District, Board members, and staff. The district will maintain a system of guidance and process to protect against legal missteps. This provision does not mean that legal challenges will not arise during the normal course of business or that the District is necessarily out of compliance.



**SUPERINTENDENT INDICATORS OF COMPLIANCE**

We will know we are compliant when:

- Insurance coverage at least matches other comparable districts.
- Coverage for theft prevention, losses and liability is established.
- Coverage includes an adequate level of coverage for district staff and Board members.
- The District establishes, updates and follows a comprehensive plan to minimize risk and liability.
- Significant legal challenges are discussed with the administrative team and the Board.
- Processes are established to mitigate risk including: volunteer background checks, required staff trainings, employee background checks.
- Legal advice is utilized.



**SUPERINTENDENT EVIDENCE OF COMPLIANCE**

**EL-II F: Asset Protection (Cash Management and Procurement)**

**EL II F: #2 The Superintendent will ensure only bonded personnel have access to material amounts of funds.**



**SUPERINTENDENT INTERPRETATION**

The Superintendent will ensure that no employees shall have access to funds beyond the limits of coverage and will establish procedures and processes to limit employee handling of cash.

Further, the Superintendent shall not allow the district to operate without the necessary internal policies and procedures to safeguard against fraud.



**SUPERINTENDENT INDICATORS OF COMPLIANCE**

We will know we are compliant when:

- Practices are compliant with District Policy 6500.



**SUPERINTENDENT EVIDENCE OF COMPLIANCE**

**EL-II F: Asset Protection (Cash Management and Procurement)**

**EL II F: #3 The Superintendent will provide sufficient controls to receive, process or disburse funds meeting the state-appointed auditor’s standards.**



**SUPERINTENDENT INTERPRETATION**

The Superintendent will ensure that no employees shall have access to funds beyond the limits of coverage and will establish procedures and processes to limit employee handling of cash. Further, the Superintendent shall not allow the district to operate without the necessary internal policies and procedures to safeguard against fraud.



**SUPERINTENDENT INDICATORS OF COMPLIANCE**

We will know we are compliant when:

- Audit reports indicate compliance.
- Practices are compliant with District Policy 6500.
- Internal controls and procedures are established to ensure cash handling meets safeguards.



**SUPERINTENDENT EVIDENCE OF COMPLIANCE**

**EL-II F: Asset Protection (Cash Management and Procurement)**

**EL II F: #4 The Superintendent will ensure adequate protection against conflict of interest in the purchase process.**



**SUPERINTENDENT INTERPRETATION**

The Superintendent is responsible for ensure ethical practices in purchasing. This is critical to ensure taxpayer trust and to ensure district funds are utilized to meet Ends and the needs of our students. Purchasing will be guided by a firm commitment to balancing the best value and ensuring the highest quality outcomes for Manson Students.



**SUPERINTENDENT INDICATORS OF COMPLIANCE**

We will know we are compliant when:

- Practices are compliant with District Policy 5251.
- Practices are compliant with District Policy 6220.



**SUPERINTENDENT EVIDENCE OF COMPLIANCE**

## EL-II F: Asset Protection (District Records and Intellectual Property)

**EL II F: #5 The Superintendent will protect intellectual property, information and files from loss or significant damage.**



### **SUPERINTENDENT INTERPRETATION**

The Superintendent shall not allow the district to operate without protecting district information and intellectual property.



### **SUPERINTENDENT INDICATORS OF COMPLIANCE**

We will know we are compliant when:

- The Superintendent establishes and utilizes safeguards to protect district data. These safeguards will include:
- Least Privileged Access – Staff are only granted access into the systems that they require to do their job to mitigate the scope of potential data breaches.
- Physical Data Security – Servers and networking infrastructure are in secure rooms. District hard drives are destroyed after the end of their usable life to protect data.
- End Point Protection - Robust antivirus software is installed on all district systems as well as strong firewall policies to mitigate external threats to data.
- Automated Account Access – Staff access to systems and networks is eliminated at the point of separation to ensure they no longer have access to privileged district data.
- Data Security Training – All district staff receive annual training in data security best practices to help mitigate attacks targeting our data.
- Data Breach Protocols – In the event of potential data breach, the district has in place a Cyber Incident Response Plan to quickly respond to and mitigate potential data breaches.



### **SUPERINTENDENT EVIDENCE OF COMPLIANCE**

## EL-II F: Asset Protection (Internal and Independent Controls)

**EL II F: #6 The Superintendent will operate with internal policies and procedures that detect, defer, and prevent fraud and detect and prevent significant operating deficiencies.**



### **SUPERINTENDENT INTERPRETATION**

The Superintendent shall not allow the district to operate without the necessary internal policies and procedures to safeguard against fraud and significant operating deficiencies.



**SUPERINTENDENT INDICATORS OF COMPLIANCE**

We will know we are compliant when:

- State audit reports indicate compliance.
- Administrative policies are established, trained and adopted: cash handling, meeting deposit deadlines with deposits intact, preauthorization before purchasing, and internal audits to ensure items purchased are onsite and inventoried.
- Practices are compliant with District Policy 6801.



**SUPERINTENDENT EVIDENCE OF COMPLIANCE**

**EL-II F: Asset Protection (Internal and Independent Controls)**

**EL II F: #7 The Superintendent will ensure that expenses incurred by the Superintendent are approved by the Board.**



**SUPERINTENDENT INTERPRETATION**

The Superintendent shall ensure that the Board approves expenses as outlined by policy or indirectly through following Governance Policies.



**SUPERINTENDENT INDICATORS OF COMPLIANCE**

We will know we are compliant when:

- The annual budget is approved by the Board and followed by the Superintendent to guide purchasing.
- Purchasing is compliant with District Policy 621, District Policy 6215.
- All purchasing is reviewed and verified by fiscal services leadership staff prior to issuing payments.
- State audit reports indicate compliance.



**SUPERINTENDENT EVIDENCE OF COMPLIANCE**

**EL-II F: Asset Protection (Internal and Independent Controls)**

**EL II F: #8 The Superintendent will honor the independence of the Board’s auditor or other external monitoring or advice.**



**SUPERINTENDENT INTERPRETATION**

Should the Board decide to hire an external auditor or monitor, the Superintendent will comply and cooperate with the personnel or firm. The Superintendent understands that the audit or outside evaluation is necessary and provide any assistance to support the work. In addition, the Board understands that in these circumstances, the Superintendent will also be facing the operations of the district and will need to balance this work with support for the external evaluation. The Superintendent will not try to influence the outcome of the monitoring through unethical practices and will allow an independent audit based on evidence gathered in the district.



**SUPERINTENDENT INDICATORS OF COMPLIANCE**

We will know we are compliant when:

- If there is a need for an external Board audit (separate from state audits) or external monitoring, reports by independent monitors indicate compliance by the Superintendent.



**SUPERINTENDENT EVIDENCE OF COMPLIANCE**

**EL-II F: Asset Protection (Public Image)**

**EL II F: # 9 Superintendent will protect the District’s public image, credibility, or its ability to accomplish Ends.**



**SUPERINTENDENT INTERPRETATION**

The Superintendent will not conduct business in a manner that jeopardizes the district’s public image through dishonest, illegal, or unethical practices. This provision does not mean that during the normal course of doing business, when employees or community members disagree with district actions or decisions, that the district is out of compliance with this provision.



**SUPERINTENDENT INDICATORS OF COMPLIANCE**

We will know we are compliant when:

- There will be no instances of dishonest, illegal or unethical practices by the Superintendent nor any instances of reprimand.



**SUPERINTENDENT EVIDENCE OF COMPLIANCE**

**EL-II F: Asset Protection (Public Image)**

**EL II F: #10 The Board reserves the right to change the District’s name or substantially alter its identity in the community.**



**SUPERINTENDENT INTERPRETATION**

The name Manson School District will not be changed without Board approval.



**SUPERINTENDENT INDICATORS OF COMPLIANCE**

We will know we are compliant when:

- If the District name is altered, the Board provides approval.



**SUPERINTENDENT EVIDENCE OF COMPLIANCE**

**EL-II F: Asset Protection (Real Property and Facilities Protection) The Superintendent shall ensure district facilities are adequately maintained as safe, clean, inviting, and conducive to teaching and learning.**

**EL II F: Real Property and Facilities Protection #1 The Superintendent will not create or purchase any subsidiary corporation without Board approval.**



**SUPERINTENDENT INTERPRETATION**

The Superintendent shall not allow the district to acquire, encumber or dispose of real property or create or purchase any subsidiary corporation without Board approval.



**SUPERINTENDENT INDICATORS OF COMPLIANCE**

We will know we are compliant when:

- The Superintendent completes and updates a yearly Non- Emergency Superintendent Succession planning document for Board reference.



**SUPERINTENDENT EVIDENCE OF COMPLIANCE**

**EL-II F: Asset Protection (Real Property and Facilities Protection) The Superintendent shall ensure district facilities are adequately maintained as safe, clean, inviting, and conducive to teaching and learning.**

**EL II F: Real Property and Facilities Protection #2 The Superintendent will operate with maintaining a long-range plan for managing and developing facilities. A) Involve key stakeholders in the long-range plan (such as the process of establishing school boundary adjustments and replacement of facilities).**



**SUPERINTENDENT INTERPRETATION**

The Superintendent shall establish a long-range facility plan. Input will be included from stakeholders. The plan should include both maintenance of current facilities and needs for future new facilities based on student needs, enrollment, facility needs, and Ends policy outcomes.



**SUPERINTENDENT INDICATORS OF COMPLIANCE**

We will know we are compliant when:

- The Superintendent completes and updates a yearly Long Range Facility Plan.
- Stakeholder input is included as a key component of the plan through involvement in a district level or building level facility committee or committees. Further community involvement may be solicited through soliciting feedback in various formats once initial plans are created.



**SUPERINTENDENT EVIDENCE OF COMPLIANCE**

**EL-II F: Asset Protection (Real Property and Facilities Protection) The Superintendent shall ensure district facilities are adequately maintained as safe, clean, inviting, and conducive to teaching and learning.**

**EL II F: Real Property and Facilities Protection #3 The Superintendent will not cause or allow actions that violate or materially deviate from voter-approved building and renovation projects, state law, state regulations, procurement code, or building codes.**



**SUPERINTENDENT INTERPRETATION**

The Superintendent will ensure that projects approved by Manson voters are completed with no deviation from the intent and promises in the voter approved ballot measure. The Board understands however that current financial, supply chain challenges, and unexpected changes to projects and regulations can create significant barriers in building and renovation and understands that the Superintendent may need to make changes to projects to stay within budget or respond to changes through the building process. The Superintendent will ensure that state and federal law and local and state regulations and requirements are followed to protect the District and our facilities.



**SUPERINTENDENT INDICATORS OF COMPLIANCE**

We will know we are compliant when:

- Projects voted upon by Manson voters are completed as outlined in ballot measures.
- Projects are completed within budget.
- Projects involve local, state and federal agencies as required by the project.
- Practices are compliant with District Policy 6882.



**SUPERINTENDENT EVIDENCE OF COMPLIANCE**

**EL-II F: Asset Protection (Real Property and Facilities Protection) The Superintendent shall ensure district facilities are adequately maintained as safe, clean, inviting, and conducive to teaching and learning.**

**EL II F: Real Property and Facilities Protection #4 The Superintendent will create and operate with a plan for public use of buildings and grounds that includes: a) definition of permitted uses b) a fair and reasonable fee structure (including insurance protection c) clear delineation of user expectations d) consequences**

**and enforcement procedures for public users who fail to follow the established rules.**



**SUPERINTENDENT INTERPRETATION**

Manson facilities must be maintained to meet the needs of the students enrolled at Manson and the staff who work here. The Superintendent understands that the facilities also meet a need for our community and will work to ensure fair and reasonable access to the facilities by outside users while also protecting this asset for Manson students, staff and stakeholders. In order to protect facilities, a process for facility use, guided by risk management professionals is critical.



**SUPERINTENDENT INDICATORS OF COMPLIANCE**

We will know we are compliant when:

- District Policy and Procedure are reviewed and updated annually based on Risk Management input.
- Practices are compliant with District Policy 4260.
- District Policy 4260 will include all elements of ELL II F (Real Property and Facilities Protection) #4.



**SUPERINTENDENT EVIDENCE OF COMPLIANCE**

**EL-II F: Asset Protection (Real Property and Facilities Protection) The Superintendent shall ensure district facilities are adequately maintained as safe, clean, inviting, and conducive to teaching and learning.**

**EL II F: Real Property and Facilities Protection #5 The Superintendent will prevent against improper wear and tear or insufficient maintenance of facilities or equipment.**



**SUPERINTENDENT INTERPRETATION**

The Superintendent will ensure facilities a budget, staffing, and other resources to ensure facilities and equipment are maintained. The Board and Superintendent understand that resources are limited, but a reasonable amount will be budgeted to ensure repairs are made in a timely way. When repairs are not possible due to cost, impact to learning environment, or other factors, the Superintendent will work to communicate about the facility needs and ensure potential solutions are explored – including outside funding or external partners. The Superintendent will be responsible for ensuring practices by staff, students, and community users do not create unnecessary wear and tear to our facilities.



**SUPERINTENDENT INDICATORS OF COMPLIANCE**

We will know we are compliant when:

- The Superintendent creates a budget item and allocates resources to allow for repair of facilities and equipment.
- The Superintendent ensures a system exists for stakeholders to report facility and equipment needs and to track needed repairs and completion of repairs.

- The long-range facility plan includes planning for large expenses relating to needs of facilities or equipment purchases.
- Budget planning includes facility and equipment needs.



**SUPERINTENDENT EVIDENCE OF COMPLIANCE**

**EL-II F: Asset Protection (Real Property and Facilities Protection) The Superintendent shall ensure district facilities are adequately maintained as safe, clean, inviting, and conducive to teaching and learning.**

**EL II F: Real Property and Facilities Protection #6 The Superintendent will comply with all state-required assessments and improvements related to Capital Asset Preservation Program.**



**SUPERINTENDENT INTERPRETATION**

The asset preservation system is based on WAC 392-347-023. This program is a systematic approach to ensure performance accountability; promote student health and safety by maintaining and operating facilities to their design capacity, maintaining an encouraging learning environment; and extending building life. This program is intended to minimize future capital needs. The program came from a State Board of Education policy in 1992. The intent overall is to ensure that taxpayer investment in state assisted construction of school facilities is protected through a system of building maintenance. It is a requirement for eligibility for future state assistance. The Asset Preservation (APS) or maintenance plan is one that is proactive, predictive, or preventative for maintaining a facility over its 30-year expected life cycle. The plan is a key component of compliance and is intended to assist the Superintendent.

The Superintendent understands that the use of the system ensures protection of staff and students as well as facilities and will dedicate needed resources to the plan and its implementation.



**SUPERINTENDENT INDICATORS OF COMPLIANCE**

We will know we are compliant when:

- The District adopts and implements District Policy 6800 – Safety, Operations and Maintenance of School Property.
- The District insures all ICOS information is accurate and partners with OSPI for ongoing training regarding facility funding and systems.
- The District completes and adopts an Asset Preservation (APS) or maintenance plan. The Superintendent leads the development and updating of the plan and includes facility committee input and/or involvement in the plan creation process.
- The Superintendent develops a timeline for implementation of the Capital Asset Preservation Program during the 2024-2025 school year then updates a timeline yearly for implementation of projects and scope of work in alignment with the project yearly.



**SUPERINTENDENT EVIDENCE OF COMPLIANCE**

